

PUBLIC SESSION MINUTES
North Carolina State Board of CPA Examiners
February 21, 2011
1101 Oberlin Road
Raleigh, NC 27605

MEMBERS ATTENDING: Michael C. Jordan, CPA, President; Jose R. Rodriguez, CPA, Vice President; Maria M. Lynch, Esq., Secretary-Treasurer; Barton W. Baldwin, CPA; Wm. Hunter Cook, CPA; Bucky Glover, CPA; and Jordan C. Harris, Jr.

STAFF ATTENDING: Robert N. Brooks, Executive Director; J. Michael Barham, CPA, Deputy Director; Frank Trainor, Staff Attorney; Lisa R. Hearne, Manager-Communications; Ann J. Hinkle, Manager-Professional Standards; Buck Winslow, Manager-Licensing; and Noel L. Allen, Legal Counsel.

GUESTS: James T. Ahler, CEO, NCACPA; Sharon Bryson, COO, NCACPA; Debbie Lambert, CPA, Chair, NCACPA; Suzanne Jolicoeur, AICPA; and Curt Lee, Legislative Liaison, NCSA.

CALL TO ORDER: President Jordan called the meeting to order at 10:00 a.m.

MINUTES: The minutes of the January 24, 2011, meeting were approved as submitted.

FINANCIAL AND BUDGETARY ITEMS: The January 2011 financial statements were accepted as submitted.

NATIONAL ORGANIZATION ITEMS: Debbie Lambert, CPA, NCACPA Chair, presented the NCACPA's draft response to the NASBA/AICPA Uniform Accountancy Act (UAA) Rules Section 3 and Article 14 Exposure Draft. The Board reviewed and discussed the response to the Exposure Draft prepared by the Executive Staff. Ms. Lynch and Mr. Cook moved to approve the response as amended by the Board. Motion passed with seven (7) affirmative votes and zero (0) negative votes.

STATE AND LOCAL ORGANIZATION ITEMS: The Board reviewed and discussed the regulation issues as prepared by the Executive Staff as a result of the discussion from the Board's CFO Issues Task Force. President Jordan directed the members of the CFO Task Force (Mr. Rodriguez, Chair; and Messrs. Baldwin and Cook) to continue to develop the discussion of the regulation issues and develop a dialogue of these issues with the NCACPA.

REPORT OF THE PROFESSIONAL STANDARDS COMMITTEE: Mr. Baldwin moved and the Board approved the following recommendations of the Committee:

Case No. UT-2011001 - Thomas P. Gawarecki - Accept the signed Cease and Desist Order (Appendix I).

Case No. C2011023 - Eric J. Bur - Approve the signed Consent Order (Appendix II).

Case No. C2009220 - Michael A. Seda - Approve a Notice of Hearing for May 26, 2011, at 10:00 a.m.

Case No. C2011025 - Michael Sterling Smith - Accept the signed Cease and Desist Order (Appendix III).

REPORT OF THE PROFESSIONAL EDUCATION AND APPLICATIONS COMMITTEE: Ms. Lynch moved and the Board approved the following recommendations of the Committee:

Transfer of Grades Applications - The following were approved:

Erin Bray Patterson

Original Certificate Applications - The following were approved:

Andrea Alyse Abramowski
Rodney Tyler Allison
Philip Richard Andrews
Michelle Pearson Bare
Sarah Wynne Blanchard
Joseph R. Bray
Sandra Wolfe Breitschwerdt
Mark Alan Bondo
Nicholas Eli Cain
Jennifer Maria Capoccia
Anthony Russell Carvelli
Jennifer Lauren Cauble
Maya Jean Cohen
Joyce Denise Comer
Ashley Karen Corkery
Jason Cole Crawford
Carla G. Crow
Andrew E. DeMoss
Joseph Christopher Dolan
Matthew Richard Doyle
Russell Alan Eldridge
Frances Elizabeth Ellington

Emily Bievenue Etter
Sonya Renee Evans
Jonathan Edward Grice
Brandon Thomas Hamilton
Megan Aimee Hamilton
Adam James Heinlein
Shannia Nicole King
Mary Elizabeth Kiser
Karen Ann Kotek
Kelley Piner Leach
Joan Ann Lee
Lisa Mei Lu
Anne Yancey Mann
Felecia Monique Manning
Stacey M. McDowell
Rachelle Dawn McKee
Joshua Addison Moore
Robin Hardison Mount
Joanna Louise Muster
Adam Gary Nicholson
Elana Ami O'Neill
Rachael M. Ostrowski

William Murray Owens
Lynsey Dianne Parker
Erin Bray Patterson
Richard Charles Pocock Jr.
Natalie Lynne Podkul
Abigail M. Pope
Jessica Elaine Pruitt
Sarah Hughes Putnam
James Christopher Rogers
Jennifer Lawrence Sisk
Elizabeth Larissa Taylor
Nathan Adam Taylor

Justin Ernest Tinder
Dillon Keltz Turner
Jordan Paul Utley
Nicholas Gardiner Vail
Liana Viljoen
Jonathan Ira Ward
Clare Rani Wesley
Amanda Diane Whitley
Kevin McArthur Wilson
Laura Elizabeth Wyllie
Amanda Marie Zimmerman

Staff reviewed and recommended approval of the original application submitted by Linhan Quy Nguyen. Ms. Nguyen failed to acknowledge her foreign birth with her exam application but provided it with her certificate application. Staff recommended approval of the application with a one-year probationary period. The Committee approved staff recommendation.

Reciprocal Certificate Applications - The following were approved:

Amy Michelle Parker
Adam Joseph Zafiroff

Temporary Permits - The following temporary permits were approved by the Executive Director and ratified by the Board:

Jing Wang T6198
Amy Treathaway Moss T6199
Christopher James Hardy T6200
Mark Joseph Ondash T6201
Kimball Rose Andresen T6202
Adrienne Judith Figur T6203
Shanna Tonia Berry T6204
Keri Ann Grant T6246
David Scott Watkins T6247
Donna Lee Young T6248
John Douglas Williamson T6249

Rayan Anthony Moncrieffe T6250
Jeffrey Michael Salvatore T6251
Jeremiah Caleb Cone T6252
Rebecca Jeanne Jensen T6253
Elizabeth Nzuzi Nsimba T6254
Daryl Craig O'Cain T6255
Dedrea Lesha Norman T6256
Martin Philip Hurden T6257
Edith Elaine Carroll T6258
Kelly Mattarocci Sanchez T6259
Gregory Thad Bryant T6260

Reinstatements - The following were approved:

Cindy Johnson Abercrombie #23238
Jeffrey Rhodes Carper #28237

Frances Harley Gutnick #16594
Jamie Lemoine Johnson #22218

Gail Marie Patetta #23717
Nechol Priddy Smith #18049

Todd Wayne Strange #14621

Reissuance of New Certificate - Applications for reissuance of new certificate submitted by the following were approved.

Sid F. Baker #27013
Cameron Paige Gelfo #29805
James Edgar Halstead III #30494

Anthony Steven Quinton #31393
Scott Stephen Simmons #27820
Peggy Ann S. Wuest #25138

Firm Registrations - The following professional limited liability companies were approved by the Executive Director and ratified by the Board:

Frankie Lindsay CPA, PLLC
William R. McLucas, CPA, PLLC

Melanie T. Townsell, CPA, PLLC

Retired Status Applications - The Committee approved the following requests for retired status because the individuals are completely retired and do not receive any earned compensation for current personal services in any job whatsoever:

Deborah Burt King #21603
Steven Gary Wise #28622

CPE Matters - Staff reviewed and recommended disapproval a request from Mack D. Pridgen, III, CPA #10722. Mr. Pridgen completed a Board-approved eight-hour NC Accountancy Law course in January 2010 that he wanted to count towards his 2009 and 2010 four-hour ethics requirement. The Committee approved his request.

Extension Requests - The Committee approved the following individuals for extension for completion of CPE until the dates noted:

Sidney Campbell #3118 - 6/30/11
Darrin Lamont Spears #34099 - 3/31/11

John Zeko #7127 - 6/30/11

Letters of Warning - Staff received 2009 CPE audits which list 2009 CPE taken between January 1 and June 30, 2010, without an approved extension. Staff recommended a letter of warning for a first offense pursuant to 21 NCAC 08G .0406(b)(1). The Committee approved staff recommendation:

Christopher A. Coy #32561
Barry C. Webb Jr. #29937

Staff received and recommended approval of the request to rescind the Letter of Warning issued to Heidi B. Bradley (#19610). The Committee approved staff recommendation.

Examinations – The Committee reviewed and approved the following staff approved applicants to sit for the Uniform CPA Examination:

John Ackerson
Stephen Adams
Kristin Aldrich
Darren Allen
Sahirah Al-Uqdah
Benjamin Andrews
Erica Asarisi
Charles Ball
Stephen Balmer
Bridgett Barbee
Krista Barnhill
Irina Basarabeanu
Jenny Baughman
Tyrrell Best
JoAnn Birlet
Gregory Bittner
Erin Blaha
Anne Bosman
Michael Brafford
Kristi Bray
Kelly Brennan
Tony Brewer
Linda Bridges
Adam Briones
Stephanie Brooks
Adrienne Brown
William Browning
Tracy Bryne
Bevan Buchanan
Bryan Buckingham
Brad Bullis
Chevonne Burns
Edward Burrus
Faith Bynum
Kimberly Byrd
Ryan Campbell

Marcus Canady
Kelley Carter
Melissa Carter
Danielle Carty
JanRae Castillo
Andy Chen
Galina Chichlova
Karrah Clay
Tres Cobb
Aaron Cohen
Justin Coley
Lynette Cornelius
Allison Coward
Jennifer Craig
Laura Creech
Natalie Crisp
Michael Crose
Brittany Crossland
Mary Cunningham
Carter Davenport, II
Brendan Davern
Cedric Davis
Bradley Davis
Erick De La Torre
Rupal Desai
Jessica DeSantis
Dustin Dodson
Michael Dooling
Joshua Downs
Ryan Dupree
Cassandra Durham
Arthur Eisenstadt
Jenna Ertel
Aynalem Eshete
Ashley Farrell
Leah Farris

Mackenzie Ferber
Michael Fianchino
Nicole Fincher
James Floyd
Evelyn Forbes
Clay Foreman
Ashley Fromm
Amanda Fugate
Elizabeth Garcia
Jill Gibbs
Caroline Gibson
Staci Ginsburg
Alex Givens
Brett Goodman
Lauren Gray
Alexander Greer
Richard Grieder
Tracey Guice
Robert Hager
Jason Haggins
Matthew Hale
Jericho Hallimore
John Hance
Lisa Hardee
Joy Hargraves
Brittany Harkey
Kevin Harvey
Christopher Haynes
Nicole Helman
Martha Hensley
Christian Hester
Travis High
Timothy Hoff
Farah Hollingsworth
Shelley Holtsclaw
Azile Honeycutt
Stephanie Hooper
Martin Hoskin
Davis Hunt
Harrison Hunt
Marina Hunter
Farabee Hussain
Stacey Jackson

George Jauregui
David Jernigan
Michael Johansen
Ronnie Johnson
Alicia-Michelle Johnson
Brittany Johnston
James Jones
John Jones
NamHee Jones
Kristi Jones
Timothy Joseph
Alex Kau
Jaskamal Kaur
Amanda Kelly
Brandon Killian
Diana Kincer
Allison Klein
Sheree Klepchick
Amy Kolster
Craig Kornegay
Daniel Kramer
Allyson Kuegel
Pamela Lane
Mandy Larson
Vicky Leary
Elizabeth Lee
Anthony Leonette
Fred Lewis, III
Jennifer Lischer
Allayna Lopossay
James Mackintosh, IV
Arun Malik
Larry Martin
Sean Martin
Zachary Matthews
Susanne Matthews
Griffin Mazur
David McAnally
Kerry McClellan
Elizabeth McGee
Kellie McKinnon
Brian McNeil
Mary McRae

Ricardo Mendonsa
Kelly Meyers
Brooke Molineux
Jeffrey Monaghan
John Morris
Donita Mowery-Seufer
David Murphy
Christopher Nelson
James Nicholson
Kristin Norris
Jeremy Norville
Laura Oden
Adrienne Ogburn
Jeffrey Olsen
Kristen Orlasky
William Ostertag
Jonathan Parnell
Komal Patel
Hypolite Pene
Kathryn Pepin
Pamela Phillips
Adam Pierson
Robert Pitino
Tonya Pope
Elise Porter
Sarah Powers
John Reel
Kayla Rice
Otis Ricks
Erin Riggs
Daniel Roebuck
Irene Ross-Piazza
Tia Shoemaker
Richard Sincerbeaux, Jr
Anna Smathers
Kara Smeltzer Stout

Reita Smolka
Sarah Smulktis
John Sook
Tina Southanirasay
Kira Staggers
Adam Steele
Clark Stevens
April Stocks
Indre Stunzenas
Laura Swaim
Elsa Swenson
Nathan Tate
Willie Tate
Allison Taube
Colin Taylor
Andrew Teague
Amanda Thomas
Mark-Anton Usala
Alexandra Valier
Cristen Vaughn
Nicki Vaughn
Travis Vermillion
Benjamin Walker
Christopher Walters
Evelyn Virginia Ware
Ashley Warren
Angi West
Ivonne White
Robert Williams
Milton Williams
Crystal Wofford
Jacob Woodfin
Edward Yates, III
James Yu
Fenge Zhang
Zheng Zhuang

Staff recommended that the committee determine and accept the grades received for the October - November 2010 exams. Twenty-five (25) files with grade reports were haphazardly selected and reviewed by Board members. The Committee determined and accepted the grades.

PUBLIC HEARING: President Jordan called the Public Hearing to order to hear Case No. C2010082 – Barry J. Hodges, CPA. Mr. Hodges was not present at the Hearing nor was he represented by counsel at the Hearing. Mr. Brooks was sworn and presented testimony. Messrs. Rodriguez and Glover moved to approve a Board Order (Appendix IV) permanently revoking the North Carolina CPA certificate issued to Mr. Hodges. Motion passed with seven (7) affirmative votes and zero (0) negative votes. The entire Public Hearing is a matter of public record.

PUBLIC HEARING: President Jordan called the Public Hearing to order to hear Case Nos. C2020012-1 and C2020012-2 – Lester E. Bullock, CPA, and Lester E. Bullock, CPA, PA. Mr. Bullock was present at the Hearing but was not represented by counsel at the Hearing. Mr. Bullock and Mr. Brooks were sworn and presented testimony. Messrs. Glover and Rodriguez moved to enter Closed Session without Executive Staff or Legal Counsel present, but with Valerie Bateman, Esq., present to discuss the cases. Motion passed. The Board re-entered the Hearing whereupon Messrs. Baldwin and Cook moved to approve a Board Order (Appendix V) revoking, for two (2) years, the North Carolina CPA certificate issued to Mr. Bullock. Motion passed with five (5) affirmative and two (2) negative votes. The entire Public Hearing is a matter of public record.


PUBLIC HEARING: President Jordan called the Public Hearing to order to hear Case Nos. C2010013-1 and C2010013-2 – Ronall R. Davis, CPA, and Ronall R. Davis, CPA, PA. Mr. Davis was not present at the Hearing nor was he represented by counsel at the Hearing. Mr. Brooks was sworn and presented testimony. Messrs. Rodriguez and Glover moved to approve a Board Order (Appendix VI) permanently revoking the North Carolina CPA certificate issued to Mr. Davis. Motion passed with seven (7) affirmative votes and zero (0) negative votes. The entire Public Hearing is a matter of public record.

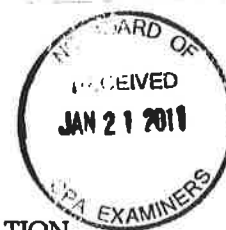
ADJOURNMENT: Messrs. Cook and Harris moved to adjourn the meeting at 2:02 p.m. Motion passed.

Respectfully submitted:

Attested to by:


Robert N. Brooks
Executive Director


Michael C. Jordan, CPA
President



THE NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC
ACCOUNTANT EXAMINERS

IN THE MATTER OF:
Thomas P. Gawarecki
Respondent

NOTICE OF APPARENT VIOLATION
AND DEMAND TO CEASE AND DESIST

TO THE ABOVE NAMED RESPONDENT:

WHEREAS, the North Carolina State Board of Certified Public Accountant Examiners (Board) is authorized by N.C.G.S. §93-12(16) to enforce the provisions of the North Carolina Certified Public Accountant Act (Act) through actions for injunctive relief regarding "a single violation" of this Chapter; and,

WHEREAS, pursuant to N.C.G.S. §93-1, "A 'certified public accountant' is a person who holds a certificate as a certified public accountant issued to him under the provisions of this Chapter."

WHEREAS, pursuant to N.C.G.S. §93-3, "It shall be unlawful for any person who has not received a certificate of qualification or not been granted a practice privilege under N.C.G.S. §93-10 admitting the person to practice as a certified public accountant to assume or use such a title, or to use any words, letters, abbreviations, symbols or other means of identification to indicate that the person using same has been admitted to practice as a certified public accountant."

WHEREAS, 21 N.C.A.C 08F .0401(a)(2) requires that a candidate applying for CPA certification in the State of North Carolina must prove work experience "under the direct supervision of a CPA on active status."

WHEREAS, Respondent Thomas P. Gawarecki (hereinafter "Respondent Gawarecki") is not currently licensed as a certified public accountant in North Carolina or otherwise authorized by the Board to use the CPA title in this state, but his principal place of business is in North Carolina;

WHEREAS, the Experience Affidavit utilized by the Board for applicants for CPA certificates has a signature page with "SPECIAL INSTRUCTIONS TO CERTIFIED PUBLIC ACCOUNTANTS WHO SIGN THIS FORM" which specifically requires: "CPAs who sign this form as direct supervisors are reminded of the meaning of direct supervision as stated below. A CPA may sign for another CPA who is employed by the same firm; however, the signing CPA is responsible for determining that supervision was both direct and by a properly supervised CPA."

WHEREAS, Respondent Gawarecki, while working in North Carolina, signed an Experience Affidavit indicating that he directly supervised an applicant to the Board. Respondent Gawarecki previously signed another Experience Affidavit for an applicant in North Carolina as an out-of-state CPA and had been informed that he was not authorized to use the title of CPA. Respondent Gawarecki's signing of the Experience Affidavit indicates that he is a North Carolina "CPA" or "Certified Public Accountant" and conveys the false impression that he is authorized to use a title other than 'accountant' when, in fact, he is not lawfully authorized to use the title "certified public accountant" or "CPA" in this State. Such a representation is misleading and contrary to N.C.G.S. §93-1 and §93-3.

THEREFORE, Respondent Gawarecki is hereby notified and the North Carolina State Board of Certified Public Accountant Examiners demands that he immediately cease and desist from offering or using in any manner the title "CPA" or "Certified Public Accountant" in North Carolina unless and

Notice of Apparent Violation and Demand to Cease and Desist - 2
Thomas P. Gawarecki

until Respondent Gawarecki has been licensed as a CPA by the North Carolina State Board of Certified Public Accountant Examiners.

North Carolina State Board of Certified Public Accountant Examiners

BY: [Signature] DATE: 1-10-11
Frank X. Trainor, III, Esq.
Staff Attorney

In lieu of civil proceedings authorized by N.C.G.S. §93-12(16), the Board will accept Respondent's consent to this Demand.

Consented to: [Signature]
BY: Thomas P. Gawarecki DATE: 1-20-2011

North Carolina State
Wake County

Sworn to (or affirmed) and subscribed before me this day by 1-20-2011 Thomas Gawarecki
[I have personal knowledge of the identity of the principal(s)] [~~I have seen satisfactory evidence of the principal's identity, by a current state or federal identification with the principal's photograph in the form of a~~ [a credible witness has sworn to the
identity of the principals]]



Notary
Seal

Frances Smith
Notary Public Signature

Frances Smith
Notary Public Printed Name

1-20-2011
Date



6-24-2011
My Commission Expires

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: C20011023

IN THE MATTER OF:
Eric J. Bur, #16495
Respondent

CONSENT ORDER

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners (Board) at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to NCGS 150B-41, the Board and Respondent stipulate to the following FINDINGS OF FACT:

1. Respondent was the holder of a certificate of qualification to practice as a certified public accountant in the State of North Carolina (the "Certificate").
2. In 1988, Respondent chose not to renew his Certificate. Respondent subsequently forfeited his Certificate and returned it to the Board in February 1989.
3. On January 12, 2011, the SEC filed a complaint against numerous defendants for violations of the Securities Exchange Act of 1934 ("Exchange Act") and certain rules promulgated pursuant to the Exchange Act ("Rules"). Specifically, Respondent was charged with violations of Rules 13a-14 and 13b2-1 and aiding and abetting violations of Exchange Act Sections 13(a), 13(b)(2)(A), 13(b)(2)(B), and 14(a), and Rules 12b-20, 13a-1, 14a-3, and 14a-9. Respondent agreed to settle the Commission's charges without admitting or denying the allegations against him.
4. As part of the settlement with the SEC, Respondent consented to a final judgment ("Final Judgment") enjoining him from violating the aforementioned provisions of the Exchange Act and Rules, and ordering him to pay a \$75,000 civil penalty. On January 18, 2011, United States District Court Judge Melgren entered a Final Judgment against Respondent.
5. As part of the settlement, Respondent agreed to resolve an administrative proceeding, by consenting, without admitting or denying the findings, to a Commission order (the "Order") suspending him from appearing or practicing before the Commission as an accountant, with the right to apply for reinstatement in one year. The SEC entered the Order on January 20, 2011.



Consent Order - 2

Eric J. Bur

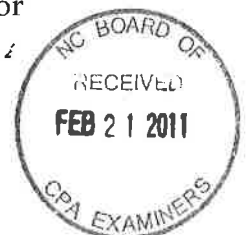
6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

Based upon the foregoing findings, the Board makes the following
CONCLUSIONS OF LAW:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. If proven, Respondent's actions, as alleged by the SEC, and which resulted in the entry of the Final Judgment and SEC Order could constitute violations of N.C. Gen. Stat. § 93-12(9) and 21 NCAC 08N, .0203 (b)(1).
3. The SEC has alleged that Respondent was a cause of his former company not devising and maintaining a system of internal accounting controls sufficient to provide reasonable assurances that transactions were recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles ("GAAP"). If proven, those allegations could constitute violations of N.C. Gen. Stat. § 93-12(9) and 21 NCAC 08N .0201.
4. The entry of the Final Judgment and Order constitutes a violation of N.C. Gen. Stat. § 93-12(9) and 21 NCAC 08N .0204(a).

BASED on the foregoing, and in lieu of further proceedings under 21 NCAC Chapter 08C and Chapter 150B of the North Carolina General Statutes, the Board and Respondent agree to the following Order:

1. Respondent's Certificate is revoked for one (1) year from the date this Order is approved by the Board.
2. Respondent shall not offer or render services as a CPA or otherwise trade upon or use the CPA title in this state either through CPA mobility provisions or substantial equivalency practice privileges or in any other manner, nor



Consent Order - 3

Eric J. Bur

shall Respondent claim or attempt to use any practice privileges in any other state based upon his revoked North Carolina certificate.

3. Respondent shall remit, within thirty (30) days following the Board's approval of this Consent Order, a one thousand dollar (\$1,000.00) civil penalty.
4. After his one (1) year revocation and payment of the aforementioned civil penalty, Respondent may apply to return his certificate to active status by submission and approval of a reissuance application which includes:
 - a. Application form,
 - b. Payment of the application fee,
 - c. Three (3) moral character affidavits, and
 - d. Forty (40) hours of continuing professional education (CPE) in the twelve (12) months preceding the application including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group study format.

CONSENTED TO THIS THE 17th DAY OF February, 2011.



Eric J. Bur, Respondent

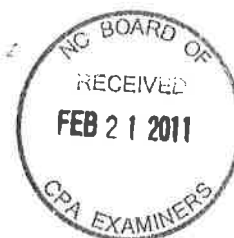
APPROVED BY THE BOARD THIS THE 21 DAY OF FEBRUARY, 2011.

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS



BY: _____

President



**THE NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC
ACCOUNTANT EXAMINERS**

IN THE MATTER OF:
Michael Sterling Smith, Case #C2011025
Respondent

**NOTICE OF APPARENT VIOLATION
AND DEMAND TO CEASE AND DESIST**

TO THE ABOVE NAMED RESPONDENT:

WHEREAS, the North Carolina State Board of Certified Public Accountant Examiners (Board) is authorized by N.C.G.S. §93-12 (16) to enforce the provisions of the North Carolina Certified Public Accountant Act (Act) through actions for injunctive relief regarding "a single violation" of this Chapter; and,

WHEREAS, pursuant to N.C.G.S. §93-1, "A 'certified public accountant' is a person who holds a certificate as a certified public accountant issued under the provisions of this Chapter."

WHEREAS, pursuant to N.C.G.S. §93-3, "It shall be unlawful for any person who has not received a certificate of qualification or not been granted a practice privilege under GS 93-10 admitting the person to practice as a certified public accountant to assume or use such a title, or to use any words, letters, abbreviations, symbols or other means of identification to indicate that the person using same has been admitted to practice as a certified public accountant."

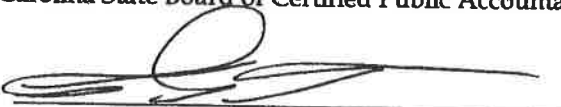
WHEREAS, pursuant to N.C.G.S. §93-6, "It shall be unlawful for any person to engage in the public practice of accountancy in this State who is not a holder of a certificate as a certified public accountant issued by the Board, unless such person uses the term 'accountant' and only the term 'accountant' in connection with his name on all reports, letters of transmittal, or advice, and on all stationery and documents used in connection with his services as an accountant, and refrains from the use in any manner of any other title or designation in such practice."

WHEREAS, Respondent Smith allowed his name to appear on websites and in a newspaper advertisement in the *High Point Enterprise* which identify him as a "CPA," thereby conveying the impression that he is authorized to use a title other than "accountant" when, in fact, he is not lawfully authorized to use the title "certified public accountant" or "CPA" in this State. Such a representation is misleading and contrary to N.C.G.S. § 93-1, 93-3, and 93-6.

THEREFORE, Respondent Smith is hereby notified and the North Carolina State Board of Certified Public Accountant Examiners demands that he immediately cease and desist from use of the title "CPA" or "Certified Public Accountant" and identify himself only as "accountant."

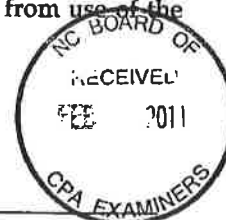
North Carolina State Board of Certified Public Accountant Examiners

BY:


Frank X. Trainor, III, Staff Attorney

DATE:

2-4-10



In lieu of civil proceedings authorized by N.C.G.S. §93-12(16), the Board will accept Respondent's consent to this Demand.

Consented to:

BY: Michael Sterling Smith DATE: 02/08/2011
Michael Sterling Smith

North Carolina State

Guilford County

Sworn to (or affirmed) and subscribed before me this day by Michael Sterling Smith

[I have personal knowledge of the identity of the principal(s)] [I have seen satisfactory evidence of the principal's identity, by a current state or federal identification with the principal's photograph in the form of a driver's license] [a credible witness has sworn to the identity of the principal(s) _____.]

Barbara B. Burris
Notary Public Signature

INK NOTARIAL SEAL*

Barbara B. Burris
Notary Public Printed Name

2-8-11
Date

10-27-12
My Commission Expires

*ATTENTION NOTARY: NCGS 10B-24(a) states, "Near the notary's official signature on the notarial certificate of a paper record, the notary shall place a sharp, legible, permanent, and photographically reproducible image of the official seal."



NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: C2010082

IN THE MATTER OF:
Barry J. Hodges, #27979
Respondent

BOARD ORDER

THIS CAUSE coming before the North Carolina State Board of Certified Public Accountant Examiners (the "Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing, with a quorum present, the Board finds, based on the evidence presented at the hearing on February 21, 2011, that:

FINDINGS OF FACT

1. The parties have been properly identified.
2. The Board has jurisdiction over the Respondent and this Matter.
3. Respondent received at least fifteen (15) days written Notice of Hearing of this Matter by personal service, certified mail, or other approved personal delivery.
4. Venue is proper and the Noticed Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.
5. Respondent did not object to any Board Member's participation in the Hearing of this Matter.
6. Respondent was not present at the Hearing and was not represented by counsel.
7. Respondent is the holder of a certificate as a Certified Public Accountant in North Carolina and is therefore subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
8. Respondent represented to the Board on his 2009-2010 individual certificate renewal (renewal) that he had obtained forty (40) hours of continuing professional education (CPE), had completed an annual Board-approved North Carolina ethics CPE course, and had completed at least eight (8) hours of non-self-study CPE to meet the 2008 CPE requirement.

9. Based on Respondent's representation, the Board accepted his renewal.
10. Board staff subsequently requested that Respondent provide certificates of completion for the CPE Respondent had reported to meet his 2008 CPE requirement. Respondent failed to respond to two written requests for certificates of completion from Board staff.
11. Upon a telephone call to Respondent by Board staff, Respondent stated that he had failed to complete any of the CPE hours in 2008 that he previously claimed he earned between January 1, 2008, and December 31, 2008.
12. Respondent has failed to respond and to claim certified return/receipt mail from the Board regarding his 2008 CPE, as well as Board requests for CPE certificates of completion for prior and subsequent years.

CONCLUSIONS OF LAW

1. Respondent's actions as set out above constitute violations of NCGS 93-12(8b)a, 93-12(9)c, and 93-12(9)e and 21 NCAC 08J .0101(b), 08N .0202(a), .0202(b)(3), .0202(b)(4), .0203(b)(1), and .0206.

BASED ON THE FOREGOING, the Board orders in a vote of 7 to 0 that:

1. The Certified Public Accountant certificate issued to Respondent Barry J. Hodges is hereby permanently revoked.
2. Respondent shall not offer or render services as a CPA or otherwise trade upon or use the CPA title in this state either through CPA mobility provisions or substantial equivalency practice privileges or in any other manner, nor shall Respondent claim or attempt to use any practice privileges in any other state based upon his permanently revoked North Carolina certificate.

This the 21st day of February 2011.



NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

BY: Michael C. Jacob
President

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: C2010012-1 and C2010012-2

IN THE MATTER OF:

Lester E. Bullock, #22426

LESTER E. BULLOCK, CPA, PA

Respondents

BOARD ORDER

THIS CAUSE coming before the North Carolina State Board of Certified Public Accountant Examiners (the "Board"), at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing, with a quorum present, the Board finds, based on the evidence presented at the hearing on February 21, 2011, that:

FINDINGS OF FACT

1. The parties have been properly identified.
2. The Board has jurisdiction over the Respondents and these Matters.
3. Respondents received at least fifteen (15) days written Notice of Hearing of this Matter by personal service, certified mail, or other approved personal delivery.
4. Venue is proper and the Noticed Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.
5. Respondents did not object to any Board Member's participation in the Hearing of this Matter.
6. Respondents were present at the Hearing and were not represented by counsel.
7. Respondent Lester E. Bullock (hereinafter "Respondent Bullock") is the holder of a certificate as a Certified Public Accountant in North Carolina and is subject to the provisions of Chapter 93 of the General Statutes of North Carolina and Title 21, Chapter 8 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
8. Respondent LESTER E. BULLOCK, CPA, PA (hereinafter "Respondent Firm"), is a registered certified public accounting professional corporation

in North Carolina and is subject to the provisions of Chapter 93 of the General Statutes of North Carolina and Title 21, Chapter 8 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board. At all relevant times, Respondent Bullock was the sole shareholder of Respondent Firm, and has been individually responsible for the conduct of Respondent Firm.

9. On October 29, 2009, the Internal Revenue Service (IRS) filed a tax lien (Tax Lien 1) totaling \$15,966.06 against Respondent Firm for failure to file and pay Respondent Firm's payroll taxes.
10. Respondent Bullock failed to timely file and to pay Respondent Firm's 941 Employer's Quarterly Payroll Taxes for the periods ending December 31, 2008 (\$5,549.28); March 31, 2009 (\$704.18); and June 30, 2009 (\$9,712.60).
11. On March 19, 2010, the IRS filed an additional tax lien (Tax Lien 2) totaling \$5,127.83 against Respondent Firm for failure to file and pay Respondent Firm's payroll taxes.
12. Respondent Bullock failed to timely file and pay Respondent Firm's 941 Employer's Quarterly Payroll Taxes for the period ending September 30, 2009 (\$5,127.83).
13. Respondent Bullock failed to inform the Board of Tax Lien 1 when Respondent Bullock completed, on January 5, 2010, the 2010 firm registration for Respondent Firm.
14. On August 4, 2010, the IRS filed an additional tax lien (Tax Lien 3) totaling \$809.86 against Respondent Firm for failure to file and pay Respondent Firm's payroll taxes.
15. Respondent Bullock failed to timely file and pay Respondent Firm's 941 Employer's Quarterly Payroll Taxes for the periods ending December 31, 2009 (\$257.77), and March 31, 2010 (\$552.09).

CONCLUSIONS OF LAW

1. Respondents' actions as set out above constitute violations of NCGS 93-12 (9)e and 21 NCAC 8N .0201, .0203, .0204, and .0207.

Board Order - 3
Lester E. Bullock
LESTER E. BULLOCK, CPA, PA

BASED ON THE FOREGOING, the Board orders in a vote of 5 to 2 that:

1. The Certified Public Accountant certificate issued to Respondent Bullock Lester E. Bullock is hereby revoked for a period of at least two (2) years from the date of this Order, after which he may apply for a new certificate pursuant to 21 NCAC 08I .0105 (b).
2. The firm registration for Respondent firm, Lester E. Bullock, CPA, PA, is hereby cancelled for a period of at least two (2) years from the date of this Order.
3. Respondents shall not offer or render services as a CPA or CPA firm or otherwise trade upon or use the CPA title in this state either through CPA mobility provisions or substantial equivalency practice privileges or in any other manner, nor shall Respondents claim or attempt to use any practice privileges in any other state based upon Respondent Bullock's revoked North Carolina certificate or Respondent Firm's canceled CPA firm registration.

This the 21st day of February 2011.



NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

BY: _____
President

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #s: C2010013-1 and C2010013-2

IN THE MATTER OF:
Ronall R. Davis, #12356
Ronall R. Davis, CPA, P.A.
Respondents

BOARD ORDER

THIS CAUSE coming before the North Carolina State Board of Certified Public Accountant Examiners (the "Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing, with a quorum present, the Board finds, based on the evidence presented at the hearing on February 21, 2011, that:

FINDINGS OF FACT

1. The parties have been properly identified.
2. The Board has jurisdiction over the Respondents and these Matters.
3. Respondents received at least fifteen (15) days written Notice of Hearing of these Matters by personal service, certified mail, or other approved personal delivery.
4. Venue is proper and the Noticed Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.
5. Respondents did not object to any Board Member's participation in the Hearing of these Matters.
6. Respondents were not present at the Hearing and were not represented by counsel.
7. Respondent Ronall R. Davis (hereinafter "Respondent Davis") is the holder of a certificate as a Certified Public Accountant in North Carolina and is subject to the provisions of Chapter 93 of the General Statutes of North Carolina and Title 21, Chapter 8 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

Board Order - 2
Ronall R. Davis
Ronall R. Davis, CPA, P.A.

8. Respondent Ronall R. Davis, CPA, P.A. (hereinafter "Respondent Firm") is a registered certified public accounting corporation in North Carolina and is subject to the provisions of Chapter 93 of the General Statutes of North Carolina and Title 21, Chapter 8 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board. At all relevant times, Respondent Davis has served as the principal shareholder of Respondent Firm, and has been individually responsible for the conduct of Respondent Firm.
9. On June 1, 2009, the Internal Revenue Service (IRS) filed a tax lien totaling \$34,125.88 against Respondent Firm for failure to file and pay Respondent Firm's payroll taxes.
10. According to the tax lien, Respondent Davis failed to timely file and to pay Respondent Firm's 941 Employer's Quarterly Payroll Taxes for the periods ending March 31, 2008 (\$7,947.24); June 30, 2008 (\$12,151.89); September 30, 2008 (\$6,589.75); and December 31, 2008 (\$7,437.00).
11. In response to Board staff's January 29, 2010, inquiry, Respondent Davis informed the Board that in July of 2009 he entered into an Installment Agreement with the IRS to pay \$900.00 each month until all 941 monies are repaid.
12. On Respondent Davis' 2009-2010 individual certificate renewal and Respondent Firm's 2010 firm registration, Respondents failed to inform the Board of the IRS tax lien.

CONCLUSIONS OF LAW

1. Respondent's actions as set out above constitute violations of NCGS 93-12(9)e and 21 NCAC 08N .0201, .0203(a) and (b)1, .0207, and .0208.

BASED ON THE FOREGOING, the Board orders in a vote of 7 to 0 that:

1. The Certified Public Accountant certificate issued to Respondent Ronall R. Davis is hereby permanently revoked.

Board Order - 3
Ronall R. Davis
Ronall R. Davis, CPA, P.A.

2. The firm registration for Respondent Firm, Ronall R. Davis, CPA, P.A., is hereby cancelled.
3. Respondents shall not offer or render services as a CPA or CPA firm or otherwise trade upon or use the CPA title in this state either through CPA mobility provisions or substantial equivalency practice privileges or in any other manner, nor shall Respondents claim or attempt to use any practice privileges in any other state based upon Respondent Davis' permanently revoked North Carolina certificate or Respondent Firm's canceled CPA firm registration.

This the 21st day of February 2011.



NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

BY: _____
President

Michael C. Jenkins